

HIGHWAY OF HOLINESS

Statement of Financial Activities for the Year Ended 31 October 2022

HIGHWAY OF HOLINESS

FINANCIAL STATEMENT AS OF 31 OCTOBER 2022

HIGHWAY OF HOLINESS

Statement of Financial Activities for the Year Ended 31 October 2022

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Statement of Financial Activities for the Year Ended 31 October 2022

1. Trustees Report

The Trustees of Highway of Holiness (HOH) have presented their report and annual accounts for the period ending on October 31, 2022. Throughout this fiscal year, we experienced remarkable progress in the church's primary endeavours, such as a notable increase in membership and the enlargement of our missions' initiatives. These missions included spreading the gospel of Jesus of salvation and love, providing local community services within the UK, focusing on daycare and youth Programmes for local communities, supporting the Kingdom Lifestyle Mission (an International Education Programme for underprivileged children in developing countries), and contributing to the UK homeless Programme.

Post Covid-19 Extraordinary Event

The impact of Covid-19 on the communities we serve and the countries where we provide educational training and support has been evident. This year presented significant challenges due to the extraordinary events resulting from the post Covid-19 pandemic. Despite these difficulties, we took measures that resulted in increased exposure and opportunities to expand our humanitarian services beyond our usual scope, benefiting many local authorities and communities. We received valuable assistance and funding from multiple sources and sought professional advice from trusted partners, including PMCT Accountants and Consultants. The press coverage for Highway of Holiness exceeded previous years, creating greater awareness of our services. While we appreciate the positive exposure, it also increased demands on our limited financial and accommodation resources.

Covid-19 underscored the urgent need for dedicated living accommodations for homeless individuals beyond the sole use of our church as permanent premises. This need remains critical even in the post Covid-19 era, as we continue to use many hotels as temporary shelters for users of HOH homeless services.

The pandemic had a profound impact on local communities and the health of individuals, leading to an increase in homelessness and hardships for vulnerable families. It also strained our limited financial resources as we faced additional expenses to support humanitarian Programmes during this challenging time. The increased demand for assistance further stressed our existing funding sources, making the need for additional financial support crucial to sustain and expand our humanitarian efforts.

Despite these challenges, HOH remains committed to addressing the pressing needs of local communities, promoting the well-being of individuals, and supporting underprivileged children in developing countries through our missions. We are actively exploring various avenues to secure additional funding and resources to provide relief and hope to those affected by the pandemic's aftermath. With the support of generous donors and our dedicated community, we aim to make a positive impact and bring about meaningful change in the lives of those facing adversity.

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Statement of Financial Activities for the Year Ended 31 October 2022

1.1 Main Activities

Highway of Holiness is primarily focused on Christ-Centred church activities, with secondary efforts dedicated to serving humanity and supporting local communities. During the accounting period, we provided essential assistance to over 120 homeless individuals, offering them food and shelter. Additionally, we organised youth activities and personal development training for numerous young people in the Tottenham and Haringey Council areas. Our commitment extended to supporting youth educational projects in Ghana, South Sudan, and Pakistan, benefiting underprivileged children.

However, due to financial constraints, we were unable to expand the Kingdom Lifestyle Mission (KLM) and International Educational Projects to Ethiopia and Bulgaria, as we had done in previous years. Nonetheless, we provided non-financial support in other ways.

We further increased our dedication to local churches and youth Programmes, expanding our training initiatives to help young adults find employment. We plan to engage employment agencies to implement viable strategies for enhancing the employability of young adults and homeless individuals.

Throughout the year, we successfully organised prayer and teaching conferences with excellent attendance. Additionally, we conducted training seminars for teachers and volunteers at our Sunday school for primary school children, as well as for the youth clubs serving HOH youths and local communities.

We express our gratitude to Haringey Council for their contribution to our local Summer Youth Programme, including providing the premises of Haringey Youth Centre at Bruce Grove, Tottenham. Moreover, we received grants from various sources, including £120,994.00 from TNLCF Reaching Communities through the National Lottery Community Fund.

Constraints and Challenges

The closure of supporting services during and after the Covid-19 period has resulted in continuous demand for our services, making what was once an extraordinary event now a regular occurrence. Additional financial support from various sources is crucial to meet humanitarian needs, especially since we are unable to fulfill significant service requests from local councils, hospitals, Red Cross, local Police services, and reputable organisations within the communities we serve.

Our goal is to expand our Highway Youth Club (Keep It Real Youth Forum) and Saturday School for underprivileged primary and secondary school children, which have been solely supported by HOH since 1995, to multiple communities if external funding can be obtained. Despite the wider recognition and exposure of our services, our main challenge remains inadequate funding to meet the growing demand for our assistance, particularly for homeless women due to the lack of accommodation facilities. Training volunteers to support daycare and night care services is also a priority.

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Statement of Financial Activities for the Year Ended 31 October 2022

We extend our appreciation and gratitude to the many individuals and organisations that have donated towards our humanitarian Programmes. We are also grateful to our church members who allowed donated funds meant for future church building purchases (restricted reserve) to be used towards UK humanitarian services, including charities, and the Kingdom Lifestyle Mission (KLM), which extends international education, care, and tangible support to underprivileged children in developing countries.

Achievements during the Year

During the year, we achieved significant milestones in our mission. We successfully integrated many homeless individuals recovering from alcohol, drug misuse, and traumas into the local community. Additionally, we provided essential support to persecuted Christians in Pakistan, India, South Sudan, and Northern Nigeria. We extended our mission support to Nicaragua and Ethiopia, focusing on mitigating the impact of Covid-19, particularly on children. Our Kingdom Lifestyle Mission (KLM) continued to play a crucial role by providing supplementary education for underprivileged children in Ghana, South Sudan, and Pakistan.

In line with our objectives, we have accomplished all our planned goals. Our Youth Community work expanded its reach to include previously unreached communities. We effectively addressed various organisations' requests for assistance, fulfilling their expectations. The daycare centre, which initially operated twice a week, now provides essential services beyond the planned two days a week, significantly benefiting homeless and isolated individuals in the surrounding communities.

To meet the needs of homeless and vulnerable families and prevent homelessness as a temporary measure, we introduced walk-in-care services at the daycare centre, offering relevant support and amenities. Our dedicated efforts have resulted in successfully helping many service users find employment.

Throughout the years, our commitment and positive impact have been acknowledged with several awards, including the Homeless Shelter of the Year 2019-2020 and the Haringey Community Impact Award 2019. These achievements reflect our ongoing commitment to making a meaningful difference in the lives of those we serve.

1.2 New challenges from post-Covid-19 Events

The Covid-19 pandemic posed new challenges to HOH in the previous 3 years, leading other charities to scale down their operations. This resulted in an increased demand for our services, with many referrals beyond the norm from established organisations, local councils, and governmental agencies during the lockdowns. In response, we adapted our processes to address humanitarian needs with significant input and consideration from PMCT Accountants & Consultants. They assisted us in reviewing our cost structure, planned budget, and prioritising the delivery of

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Statement of Financial Activities for the Year Ended 31 October 2022

humanitarian services in the most cost-efficient approach. As a result of pre-planned processes for post-Covid-19, HOH's humanitarian services have benefited in the following ways:

- **Improved Budget Allocation:** With the guidance of PMCT Accountants & Consultants, we allocated our budget strategically, ensuring that resources were directed to the most critical areas of humanitarian support.
- **Stronger Partnerships:** Our planning process facilitated deeper collaborations with partner organisations, local councils, and governmental agencies, enabling us to extend our reach and impact within the community.
- **Sustainable Growth:** The pre-planned approach ensured that our humanitarian services were sustainable, allowing us to continue providing essential support to those in need even in the face of future challenges.
- **Expanded Reach:** With a well-structured post-Covid-19 plan in place, we were able to expand our reach to a broader audience, ensuring that our services reached those who needed them the most.

Financial supports

During these extraordinary times, we received financial support from various sources, with some donors choosing to remain anonymous through Charity Aid Foundation. We express our heartfelt gratitude to all donors, whether acknowledged or anonymous, on behalf of all beneficiaries for your generous and kind contributions.

Our church members played a vital role by providing practical financial assistance and volunteering their services. Additionally, we received tangible financial support from individuals, local communities, and businesses. We are deeply appreciative of your giving and sacrifices, as none of our achievements would have been possible without your support.

Financial support came from diverse sources, including:

- Reaching Communities through National Lotteries, which formed the bulk of our grants for our community humanitarian services, and they have continued to offer unqualified support.
- Homeless Link, who generously provided £92,092.00 in funds.
- Many philanthropists, well known to HOH over the years for their support, including Pastor Wickham Robert and Christopher Hold, each donating £12,000.00.

We wish to extend our heartfelt appreciation to the Ministry of Housing, Communities, and Local Government (specifically the Department for Levelling Up, Housing and Communities through Homeless Link) for their generous winter transformation funding amounting to £92,092.00 during the accounting year detailed in the report. Your support is truly invaluable to us.

We take this opportunity to say thank you for making a positive difference in another person's life through your support.

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Statement of Financial Activities for the Year Ended 31 October 2022

Source of Financing and allocation of funding

For the year ending on October 31, 2022, our finances remained stable. We extend our gratitude to external donors for their generous public donation of £7,000.00 and to the members of Highway of Holiness church for their contributions of £172,000.00, which served as the primary source of funding for our community Programmes.

During the year, we received a grant of £209,710.00 subject to timing allocation from Reaching Communities through National Lotteries for our Day Centre and Community Care, including feeding. As a result, we allocated £176,914.00 along with the prior year's unrestricted reserve of £38,885.75, totalling £215,800.00. Additionally, 42 - 45 Holloway contributed £27,000.00 towards our homeless and community projects.

In total, our donations and grants for the financial year amounted to £421,436.00, representing an increase of £39,196.00 compared to the previous year. The grant-related usage based on time for implementing services, set aside as a restricted reserve, was £32,796.00. HOH members raised over £50,000.00 towards the building project; however, the building fund only increased by £8,555.00 from £107,884.00 to £116,439.00, as members allowed trustees to utilise donations to support the excess demands for HOH humanitarian services. Due to the post-Covid-19 impact, the Restricted Reserve for emergency operations increased by £847.00, from £16,500.00 to £17,347.00. Additionally, we increased the Unrestricted Reserve by £756.00, bringing it from £15,613.00 to £16,369.00.

Our overall spending rose by £54,774.00, leading to a yearly surplus of £13,219.00, which is significantly lower than the previous year's surplus, down by £64,547.00. This rise in expenses was mainly driven by the state of the UK economy, with inflation increasing the cost of retail items required for HOH service participants. Unfortunately, the corresponding sources of income did not match these increased costs, resulting in a reduced surplus.

Notwithstanding the difficulties, our funding reserve experienced a notable boost of £13,219.00, elevating the total to £158,793.00, up from £145,574.00.

Despite the increasing demand for humanitarian support in our local communities, we faced constraints, including inadequate funding and limited volunteers, preventing us from fulfilling all requests for support. Nevertheless, we remain committed to providing tangible support to Kingdom Lifestyle Mission (KLM) in countries facing religious persecution and modern-day slavery.

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Statement of Financial Activities for the Year Ended 31 October 2022

1.3 Kingdom Lifestyle Mission (KLM) – International Educational Projects

Throughout the year, we dedicated ourselves to supporting underprivileged children in various African and Asian countries through the establishment of Kingdom Lifestyle Mission - International Educational Projects. This initiative aimed to offer supplementary education and training opportunities to young individuals between the ages of 5 and 18, who lacked access to further educational resources.

Missions and KLM Supported

Countries			
	KLM	Mission	Total
Ghana	8,162.14	3,170.60	11,332.74
South Sudan	6,033.29		6,033.29
Pakistan	4,604.60	8,288.18	12,892.78
Ethiopia		502.98	502.98
India		5,121.28	5,121.28
Nicaragua		1,511.48	1,511.48
Nigeria		981.48	981.48
	18,800.03	19,576.00	38,376.03

This was wholly funded by HOH members' donations initially intended for building the project as a restricted reserve which HOH permitted for meeting humanitarian considerations.

Number of Children Supported

Countries	2021 – 2022	2020 – 2021	2019 - 2020	2018 - 2019	2017 - 2018	2016 - 2017	2015 – 2016
Ethiopia						300	450
Ghana – KLM	7,601	2,315	1,120	980	750	800	1,005
South Sudan	4,225	1,325	400	250	300	300	355
Pakistan	2,965	850	80				
	14,791	4,490	1,600	1,230	1,050	1,400	1,810

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Statement of Financial Activities for the Year Ended 31 October 2022

Associated Cost of Children Number

Kingdom Lifestyle Mission (KLM) International Educational Projects and Other International Mission Supports

Countries Where Children are Supported	2021 - 2022	2020 - 2021	2019 - 2020	2018 - 2019	2017 - 2018	2016 – 2017
	Amount (£)	Amount (£)	Amount (£)	Amount (£)	Amount (£)	Amount (£)
Ethiopia	502.98	1,200.01				1,100
Ghana	11,332.74	5,410.50	3,367.18	8,500.00	5,750.00	4,500
South Sudan	6,033.29	2,226.13	1,700.00	1,367.00	2,485.00	2,500
Pakistan	12,892.78	4,338.09	733.3			
Sierra Leone			154.9			
Poland			1,430.00			
India	5,121.28	764.37	591.78			
Nigeria	981.48	504.9	102.9			
Philippines			201.9			
Lebanon crisis			302			
Nicaragua	1,511.48					
Kenya		939.49				
Total	38,376.03	15,383.49	8,583.96	9,867.00	8,235.00	8,100.00

1.4 Programmes Funding and Allocation of Source of Funding

Funds allocated to training, supplementary education, homeless Programmes, many communities youth work, and our general operational funding were allocated as follows:

Income Required for Annual Operations

	2021 – 2022	2020 – 2021
Incoming Resources		
Furlough -Inland Revenue		15,043
Prior Year Unrestricted Reserve (Advance) now as Income	38,886	36,688
Gift Aid - Inland Revenue		
Donations	205,608	125,969
Grants Allocated	176,914	204,512
Total Incoming Resources	421,407	382,212

1.5 Community and Church Youth Commitments

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Statement of Financial Activities for the Year Ended 31 October 2022

Throughout the year, we prioritised the welfare of our community and church members responsibly. Our successful youth cafe/club at the Bruce Grove Youth Centre, provided by Haringey Council, continues to support our Community Youth Programme

We offered subsidised food, recreational activities, and personal development Programmes to young people, welcoming all community members without qualification criteria. Establishing long-term connections with the hard-to-reach traveller's community was a key focus for us. Through our Community Care Programme, we promote community cohesion by creating a secure and confidential environment for all participants.

Our Homeless Programme offered food and shelter to more than 120 individuals, referred by esteemed organisations like Hospitals, The British Red Cross, Police Service, Crisis Charity, The Refugee Council, Day Centres, and Governmental Agencies including Thames Reach, No Second Night Out, local charities, churches, and concerned individuals. Some of these individuals faced challenges in accessing statutory provisions due to their lack of recourse to public funds.

These milestones were achieved through our extensive network of partner agencies, including Local Authorities, Crisis, Shelter, Mind Haringey, Refugee Council, local charities like Edible London, soup kitchens, medical practices, housing organisations, and more.

Planned Objectives due to a significant increase in the number of homeless people and young adults seeking our services, our charity's finances have been strained. As part of our planned response to this growing demand, we intend to acquire a hostel to support individuals transitioning to independent living from our existing shelter.

Additionally, we have recognised the need to establish a social enterprise and employment training Programme to enhance youth employment opportunities, particularly within the Tottenham community. However, the realisation of this long-term objective is subject to the availability of funding.

To reduce our reliance on contributions from members of Highway of Holiness, we aim to expand our funding sources by seeking external assistance and resources to meet the escalating demand for our services.

Signed: *Alex Gyasi*

Rev Alexander Gyasi

Chairman of the Trust

For and on behalf of Trustees and Members of Highway of Holiness

Date: 29 July 2023

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Statement of Financial Activities for the Year Ended 31 October 2022

2. Accountants' Independent Report

As accountants, we present the unaudited accounts for Highway of Holiness to the Trustees. Our responsibility is to report any matters that have come to our attention, following the procedures specified in the General Directions by the Charity Commissioners under section 43(7)(b) of the Act.

Respective responsibilities of trustees and examiner

The Trustees of Highway of Holiness are responsible for preparing the accounts for the year ended 31 October 2022, set out on pages 13 to 20. They consider that the church is exempt from audit requirements under section 43(2) of the Charities Act 1993. In compliance with the Trustees' instructions, we compiled these unaudited accounts to assist them in fulfilling their statutory responsibilities, using the available accounting records and information.

Our views on strategies and operational approach

Highway of Holiness demonstrates excellent organisation in both its operations and finances. The timely grant received from Reaching Communities for Homeless and Communities work was of critical importance. However, to sustain the church's scope and meet the increasing demands for its services, consistent external funding is essential.

As the activities of Highway of Holiness continue to grow, a strategic review becomes necessary, as the current limited resources are insufficient to meet all the social and humanitarian needs. Particularly concerning homeless women, the demands for services exceed available resources by more than 50%.

Emphasising core church activities, especially in the areas of mission and evangelism, will facilitate the growth of church membership at a faster rate. Securing a dedicated place for church services is vital, as the current auditorium is partly used for homeless operations and other humanitarian considerations after church services. This separation will allow the church to focus on its core mission and better serve its members and the community.

Basis of independent examiner's report

Our examination was conducted in accordance with the General Direction provided by the Charity Commissioners. It involved reviewing the charity's accounting records, comparing the presented accounts with those records, and considering any unusual items or disclosures. We sought explanations from the trustees on such matters. However, our procedures do not provide all the evidence required for an audit, and therefore, we do not express an audit opinion on the view presented by the accounts. Our examination scope has been extended to include aspects of auditing for sound recording and management.

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Statement of Financial Activities for the Year Ended 31 October 2022

Challenges in the Post Covid-19 Era

We foresee an increase in demand for HOH services in the aftermath of Covid-19, as those who have relied on them are likely to recommend them to others facing similar situations.

The church trustees have consistently demonstrated their commitment to maintaining the quality of HOH services and preserving the dignity of service users. With greater exposure, we anticipate a broader demand for HOH services, and we have advised the church to stay focused on its aims and objectives to avoid being overwhelmed by the ever-increasing demands.

At PMCT Accountants & Consultants, we understand and acknowledge the inevitability of increased demand for HOH services. Given the limited funds available, our intention is to continue providing sound professional support to HOH in maintaining a strategic approach to meeting its defined annual objectives. However, the challenge lies in the limited financial resources and accommodation for housing homeless individuals, which may hinder the fulfillment of the needs of those seeking humanitarian services.

As an active participant in local communities, the church regularly receives inquiries about extending its services. To address the growing demand with limited resources, we strongly recommend that the church continues with its plans to strengthen collaborations with other charities, local communities, religious organisations, hospitals, the Red Cross, and governmental agencies such as the fire service, local councils, and the police. These partnerships will facilitate potential beneficiaries' access to the services they require, considering the constraints faced by HOH.

Provision of funds (Reserve)

HOH needs to prioritise acquiring accommodation, and we strongly recommend that the church actively seeks external support to fully fund a significant portion of the associated humanitarian costs. Currently, the funding sources include:

- Grants received from Reaching Communities through National Lotteries and other benevolent funds, which are tied to the time and delivery of services. Grants not yet allocated as earned income are classified as Grants Restricted Funds.
- The church has been diligently planning to secure long-term accommodation for church services, a community youth center, community daycare, and homeless housing projects. Church members have generously contributed over £100,000.00 towards church building projects in previous years, continuing into the 2021 – 2022 accounting year. However, with the consent of members, part of the building project fund was allocated to support the homeless project and humanitarian efforts due to unexpected delays in receiving grant funds.

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Statement of Financial Activities for the Year Ended 31 October 2022

- Members' specific donations for the church building project and the corresponding amount set aside are considered part of Restricted Funds. Over many years, at least £150,000.00 of accumulated building funds have been utilised to support humanitarian projects, and the 2021-22 accounting year was no exception.
- A prudent three months (13 weeks) Operational Reserve is required to be set aside as Restricted Funds to support the expected and ever-increasing demands for Highway of Holiness services. Currently, the funds set aside can only support planned services for two weeks, indicating the need to increase Operational Restricted Funds.
- Unrestricted funds constitute the operational surplus reserve available to trustees and management, which can be utilised in conjunction with periodic receivable donations and allocated grants. In our opinion, unrestricted funds are insufficient to support all the processes outlined by the Trustees. Due to limited funding, the Trustees could not allocate funds from unrestricted sources for the church's internal youth Programmes, which are crucial for the church's future sustainability.
- We strongly advise against dividing operations between core church activities and humanitarian efforts. The church's building fund, contributed by members over the years, has consistently been directed towards humanitarian commitments. Given the ever-increasing demand for community charitable deeds and the closure of many charities, we recommend against separating current operational considerations based on funding, administration, and church members volunteering to support HOH. Creating a separate entity outside of the church could establish boundaries that might hinder charitable activities not considered core church Programmes, as is the case presently.
- It is our belief that the church cannot continue to reduce its core activities year after year. Additional support is essential to address the increasing expenses of providing living accommodations and care for the homeless and the community. For instance, the church, in partnership with Edible London Charity provided over 500 cooked meals per week to residents in Haringey impacted by the Covid-19 pandemic.
- We also advocate for reserving unrestricted funds for core church activities, if possible, emphasising the need to seek external support to meet the growing demands for all humanitarian considerations including KLM operations.

Independent examiner's statement

Based on our examination, we have not identified any matters that give us reasonable cause to believe that the requirements concerning accounting records, preparation of accounts in accordance with section 41 of the Act, and compliance with the accounting requirements of the Act have not been met in any material respect.

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Statement of Financial Activities for the Year Ended 31 October 2022

Furthermore, there are no matters to which, in our opinion, attention should be drawn that would hinder a proper understanding of accounting.

Signature: *Vino Sant*

PMCT Accountants Partner Name: Vincent Santeng – CA (GH), PGDIP, MBA, FCCA

In a Capacity as *Qualified Chartered and Certified Accountant*.

Date: 29 July 2023

Address: Unit 322B Ability House, 121 Brooker Road, Waltham Abbey, EN9 1JH

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Statement of Financial Activities for the Year Ended 31 October 2022

3. Highway of Holiness: Annual Report for the Year Ended 31 October 2022

3.1 Scope of Operation and Undertaken Activities

The Trustees report that the financial year ended 31 October 2022 continued to bring new challenges for the organisation.

The Highway Homeless Programme has surpassed our current capacity, as we are now offering supervised hostel shelter and distributing food vouchers to homeless individuals. Most homeless clients are from Eastern Europe, Africa, Asia including those from China and UK citizens. By the end of the financial year, we had many nationalities that we provide services for. We also continue to provide alcohol counselling and detoxification services together with specialist agencies.

The building used for housing women was provided by a benefactor for a limited and not available after its expiry date. The Church is currently seeking assistance from many communities and would be sponsors to assist in securing accommodation for the homeless and expand beyond current provision.

We work closely with some North London Councils including Haringey Council regarding various aspects of the Homeless Projects. We were able to offer needed help to homeless individuals on account of many volunteers from within and outside Highway of Holiness who have contributed food items, clothing, and personal time towards the Programme. Many Churches and organisations continue to show interest in the Homeless Programme and have promised to donate needed resources towards the Programme.

We continue to improve on our Community Youth Programmes which have gained wider recognition outside our local community. The Programmes help youth needing social assistance, advice, counselling, and specifically organising group trips and camps with the sole purpose of directing local youth to channel their energy towards realising their potential regardless of social background and religious beliefs. Through these activities, we promote and provide supplementary education, confidence building, social integration, and improvement of the employment prospects of the Youth in the community. We also promote godliness and social responsibility through these activities.

During the year we continued to assist and contribute resources to other charitable organisations engaged in youth work. We currently have suspended our youth television Programme called Keep It Real (KIR) and are currently looking for sponsors to enable us to expand this Programme because of its importance to the youths in our communities and nationwide.

In line with our Christian ethos, during the year, various teaching and prayer seminars were organised on a regular basis. Again, the attendance to these activities has continued to increase

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Statement of Financial Activities for the Year Ended 31 October 2022

especially in the areas of helping the youth to desist from joining 'Gangs' in favour of living a Christ-centred life. Periodic training was organised for the Children and Youth teachers / Counsellors who again extended themselves beyond our available resources by continuing to sacrifice their time in helping the youth gain positive valuable life-changing lessons. These training seminars were aimed at equipping our volunteers with the new skills required to deal with wide-ranging educational developments and changing Youth cultural trends in the community.

3.2 Planned Objectives

We have been contacted by many youth organisations within the UK and outside UK especially Pakistan, India, South Sudan, Ghana, Ethiopia, Kenya, Bulgaria, and Romania for resource assistance. Our objective is to seek funding from many viable sources to continue to offer humanitarian assistance to individuals and groups subject to funding availability.

We plan to maintain present Homeless considerations in Tottenham. If an accommodation is secured it would be dedicated to homeless projects. A significant amount has been set aside as committed expenditure and hence deliberately committed as part of existing liabilities for the Homeless Programme. Demand and requests for the expansion of our Youth Programmes consideration from local communities, local councils, and Governmental agencies would not be ignored.

We plan to continue with all existing Programmes including expanding our training Programme for volunteers' subject to the availability of financial resources and support from interested parties.

3.3 Future Strategy

We are of the view that the current funding strategy for the Church, Youth and Community projects, and Homeless Programme is not sustainable. Currently, resources needed to facilitate the Church specific core Programmes such as members' own welfare, replacement of musical equipment, outreach, and reserves for building funds are solely used to finance Youth (Keep It Real), Community help and education, and Homeless Programme

The Church members are also aging and with retirements looming there is an urgent need for the Church to focus on evangelism and youth projects to attract diverse members from the community. We believe the current spending would have to increase by at least 150% above current levels over the next 5 years to ensure the current scope of operations and financial commitments from the Church remain sustainable.

A significant portion of HOH income is allocated to Homeless Programmes and such generosity of our members, and the public is appreciated and should be encouraged. The Homeless Programmes have been increasing in scope over the last few years and are now serving many across

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Statement of Financial Activities for the Year Ended 31 October 2022

the UK. Governmental agencies such as the Police and hospitals, NGOs such as the Red Cross, and local councils including Haringey, Hackney, and Enfield all have been approaching the Church to accept more clients. Current pressure and the need to meet the increasing demand for Homeless Programme services imply enhancing the existing strategic approach is urgently needed.

We are of the view that the Homeless Programme should be continued and still largely financed by the Church for now however there is the need to register the Homeless Programme as a separate charity on its own. It is paramount that other relevant partners and different sources of funding would be required if the demand for helping fellow human beings are to be met.

4. Statement of Financial Performance Summary as of 31 October 2022

	2021–2022	2020–2021
Incoming Resources		
Furlough -Inland Revenue		15,043
Prior Year Unrestricted Reserve (Advance) now as Income	38,886	36,688
Donations	205,608	125,969
Grants	176,914	204,512
Total Incoming Resources	421,407	382,212
Resources Expended		
Direct Charitable Expenditure on charitable objectives	329,387	262,541
Other Expenditure: Management and Administration of the Charity	33,833	41,905
Total Resources Expended	363,220	304,446
Net Incoming Resources for the year	58,187	77,766
Fund Balances brought forward	145,574	67,808
Fund Balances carried forward	203,762	145,574

The net movement in funds for the years stated above arose entirely from continuing activities. There are no recognised gains or losses for the years above other than those included in the above Statement of Financial Activities. The notes from Pages 17 to 23 form part of these accounts. Above is the Highway of Holiness performance statement and the Balance Sheet below reflects a true and fair view of the church's position as of 31 October 2022.

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Statement of Financial Activities for the Year Ended 31 October 2022

5. Statement of Financial Position as of 31 October 2022

	2021–2022	2020–2021
Fixed Assets		
Tangible Fixed Assets	7,219	6,542
Current Assets		
Debtors	18,610	6,500
Cash in hand and Advance Payment	9,250	8,500
Balance at Bank and in Hand	184,169	192,169
	212,029	207,169
Liabilities		
Operational Liabilities falling due within one year	36,296	34,828
	36,296	34,828
Net Current Assets	175,732	172,341
Net Assets	182,951	178,883
Funds		
Restricted Grants	32,796	38,886
Members Restricted Donations for Building Project	116,439	107,884
Restricted Operational Emergency Reserve	17,347	16,500
Unrestricted Operational Reserve	16,369	15,613
	182,951	178,883

Approved by the Board of Trustees on 29 July 2023.

Signed: *Alex Gyasi*

Rev Alexander Gyasi - MBE

Chairman of the Trust

For and on behalf of Trustees and Members of Highway of Holiness

Date: 29 July 2023

The notes to accounts are on pages 20 to 26.

HIGHWAY OF HOLINESS

Statement of Financial Activities for the Year Ended 31 October 2022

6. Notes to the accounts: Year ended 31 October 2022

6.1 Accounting Policies

6.1.1 Basis of measurement and preparation of accounts

Highway of Holiness, a UK-registered charity, prepares its financial statements using the historical cost convention in compliance with the Financial Reporting Standard for Smaller Entities (Effective April 2008) and the revised Statement of Recommended Practice 'Accounting for Charities' (SORP). The financial statements are based on the accrual basis of accounting, following the applicable Financial Reporting Standard for Smaller Entities (FRSSE) at the reporting time. All assets and liabilities are recorded at historical cost, and there are no financial instruments measured at fair value as per relevant accounting standards for Highway of Holiness.

6.1.2 Tangible Fixed Assets depreciation policy

Tangible fixed assets are capitalised, considering any grants receivable, and are depreciated over their estimated useful lives. The depreciation is calculated using the reducing balancing capitalising method at the following rates:

- Equipment: 25% on Net Book Value
- Furniture: 25% on Net Book Value
- Fittings: 25% on Net Book Value

The financial statements will disclose the estimated useful lives and depreciation rates applied to different asset categories. The straight-line method may be used for depreciation unless a different approach, like the reducing balance method, is deemed more appropriate.

6.1.3 Income Recognition

Income is recorded on an accrual basis, except for donations, which are recognised when received during the period. Income will be acknowledged when there is a probable inflow of economic benefits to the charity, and the amount can be reliably measured. Donations and grants received will be recognised as income when the charity gains control over the contribution, usually upon receipt.

6.1.4 Expenditure

All expenses are recorded on an accrual basis. Direct charitable expenditure pertains to costs directly related to the charity's objectives, while administrative costs cover central administration expenses and wages. Both types of expenditure are recognised in the relevant accounting period.

6.1.5 Valuation information and policy

When relevant, valuations will be conducted based on the lower cost and net realisable value, considering any obsolescence. Cost includes all direct expenditures and an appropriate portion of fixed and variable overheads. Valuation of assets and liabilities will be carried out following the

HIGHWAY OF HOLINESS

Statement of Financial Activities for the Year Ended 31 October 2022

applicable accounting standards, considering potential obsolescence, and recording all directly attributable expenses and a suitable portion of fixed and variable overheads.

6.1.6 Funds

The charity's funds are categorised into restricted funds, designated for specific dedicated purposes as identified by donors, and unrestricted funds, available for the trustees' discretion.

6.1.7 Financial Reporting

The financial statements will be prepared following relevant accounting standards to present a true and fair view of the charity's financial position, performance, and cash flows. The statements will consist of a balance sheet, income statement, statement of cash flows, and accompanying notes, as mandated by accounting standards and legal requirements.

6.1.8 Compliance with Legal and Regulatory Requirements

The accounting policies and practices will comply with the guidelines of the Charity Commission for England and Wales (or the relevant regulatory authority) and other relevant laws and regulations governing the operations and reporting of charities.

6.1.9 Changes in Accounting Policies

Any changes in accounting policies shall be disclosed in the financial statements, along with the reasons for the change and its impact on the financial results.

6.1.10 Accounting Records and Documentation

Proper accounting records and documentation shall be maintained to support the financial transactions and provide an audit trail for the financial statements.

6.1.11 Gift Aids Received and Receivable

Following the principles of recognisability and prudence, this classification is treated as an off-balance sheet item, instilling confidence in members that gift aid claimed and claimable will replace members' restricted reserve used for humanitarian purposes. This policy covers the amount available as a deposit for building funds and purchase processing costs. Trustees will continue engaging with HOH members as has been the case for prior years on hedging gift aid receipts, guided by PMCT Accountants & Consultants, using the already implemented bank client account to safeguard the HOH building fund hedging strategy. This measure limits exposure and enhances the probability of allowing members' restricted funds to be used for humanitarian activities while ensuring the specific project donations for purchasing the church building are securely managed.

6.1.12 Going Concern

The financial statements shall be prepared on a going-concern basis unless there is significant uncertainty about the charity's ability to continue its operations. In such cases, appropriate disclosures shall be made in the financial statements.

HIGHWAY OF HOLINESS

Statement of Financial Activities for the Year Ended 31 October 2022

6.2 Statement of Performance as of 31 October 2022

		2021 – 2022	2020 – 2021
Income Resources	Furlough -Inland Revenue		15,043
	Prior Year Unrestricted Reserve (Advance) now as Income	38,886	36,688
	Donations	205,608	125,969
	Grants Allocated	176,914	204,512
	Total Incoming Resources	421,407	382,212
Direct Charitable Expenditure on Direct Charitable Objectives	Allowances - Highway House	87,987	87,314
	Allowances - Highway of Holiness	27,083	25,938
	Community Humanitarian Care and Homeless Programme	126,063	94,532
	Departmental and Responsibility Management	49,358	23,392
	Lease Rent	36,301	29,250
	Office Rates	2,595	2,116
		329,387	262,541
Management and Administration Expenses	Training	1,355	1,500
	Light & Heat	3,161	3,700
	Telephone and Fax	822	1,185
	Books, Tapes, Stationery & Administration	12,790	12,545
	Publication and Advertising	22	522
	Insurances	2,554	2,609
	Repairs and Renewals	630	653
	Depreciation (Capital Allowance)	2,406	2,180
	General Maintenance Department	1,593	1,359
	Accountancy and Professional Fees	3,500	2,200
	Consultants and Advisory	5,000	13,452
	Software	1,388	
	Motor Expenses	6,167	
	Participants' Accommodation and Travel	37,414	
		33,833	41,905
Total Expenditure		363,220	304,446
Net Surplus or Deficit		58,187	77,766
Fund Balances brought forward		145,574	67,808
Fund Balances carried forward		203,762	145,574

HIGHWAY OF HOLINESS

Statement of Financial Activities for the Year Ended 31 October 2022

6.3 Direct Charitable Expenditure on Direct Charitable Objectives

	2021 - 2022	2020 - 2021
Allowances - Highway House	87,987	87,314
Allowances - Highway of Holiness	27,083	25,938
Community Humanitarian Care and Homeless Programme	126,063	94,532
Departmental and Responsibility Management	49,358	23,392
Lease Rent	36,301	29,250
Office Rates	2,595	2,116
	329,387	262,541

6.4 Management and Administration Expenses

	2021 - 2022	2020 - 2021
Training	1,355	1,500
Light & Heat	3,161	3,700
Telephone and Fax	822	1,185
Books, Tapes, Stationery & Administration	12,790	12,545
Publication and Advertising	22	522
Insurances	2,554	2,609
Repairs and Renewals	630	653
Depreciation (Capital Allowance)	2,406	2,180
General Maintenance Department	1,593	1,359
Accountancy and Professional Fees	3,500	2,200
Consultants and Advisory	5,000	13,452
Software	1,388	
Motor Expenses	6,167	
Participants' Accommodation and Travel	37,414	
	33,833	41,905

HIGHWAY OF HOLINESS

Statement of Financial Activities for the Year Ended 31 October 2022

6.5 Assets and Capitalisation 2020 - 21

Cost	Equipment	Furniture	Fittings	Total
As of 01 November 2021	32,185.00	11,309.00	58,290.00	101,784.00
Additions	3,082.70			3,082.70
Disposal				
	35,267.70	11,309.00	58,290.00	104,866.70
Depreciation				
As of 01 November 2021	29,866.00	9,013.00	56,363.00	95,242.00
Charge for the Year - 2021 - 22	1,350.43	573.75	481.50	2,405.67
Disposal				
	31,216.42	9,586.75	56,844.50	97,647.68
Net Book Value - 31 October 2022	4,051.28	1,722.25	1,445.50	7,219.02
Net Book Value - 31 October 2021	2,319.00	2,296.00	1,927.00	6,542.00

6.6 Departmental and Responsibility Management

	2021 - 2022	2020-2021	2019-2020
Youth and Retreat Expenses	13,009	2,236	3,270
Audio Ministry	3,600	522	385
Music & Worship	6,899	2,400	2,415
Prayer Ministry	1,320		300
Outreach Expenses	6,264		6,328
Visiting Preachers	1,750		787
Mission & Evangelism	8,515	1,192	525
Members Welfare	8,000	11,450	10,750
	49,358	17,800	24,760

HIGHWAY OF HOLINESS

Statement of Financial Activities for the Year Ended 31 October 2022

6.7 Grants Account Details and Applied Usage

	Start Date	End Date	Grant Received	Grant Allocated	
Grants Brought forward as Restricted Funds on 01/11/2021					38,885.72
The National Lottery Community Fund	01 Sep 2022	01 Feb 2023	8,140	2,713	
The National Lottery Community Fund	19 Feb 2022	18 Jul 2022	54,739	54,739	
The National Lottery Community Fund	19 Aug 2022	18 Feb 2023	54,739	27,370	
Ministry of Housing, communities, and local government (winter transformation fund) November 2021	19 Nov 2022	18 Apr 2022	92,092	92,092	
Allocated Grant				176,914	176,914
Total HOH Income					215,800
Grant Usage					
Employment and Management					87,987
Feeding - Community					3,965
Food Vouchers – Homeless					9,188
Local Community Support					3,065
Hotel Accommodation					37,414
Transportation and Travel Expenses					2,245
Homeless Project Expenditure					2,013
Day Care Centre - Weekly Food Feeding Programme					30,420
Participants Care: Washing and Bathing Support including toiletries and hygiene					13,650
Day Care Participants Care: Clothing and Shoe Support					12,012
Cash Disbursement on Family Food Support					3,900
Utilities - Water, Gas, and Electricity					2,161
Community Homeless and Family Support					7,779
Total					215,800

HIGHWAY OF HOLINESS

Statement of Financial Activities for the Year Ended 31 October 2022

6.8 Trustees Commitment

No amounts were paid to any trustees during the year in respect of their duties as trustees. The Office of Ministers' total payment was £25,938.00 which is at the same level for the past 2 years for duties as a full-time Christian Minister. The church also employs 4 specialists for its undertakings and that implies enrolling in stakeholder pensions for all employees.

Trustees are committed to complying with stated regulations applicable to operations and readily outsource expertise to meet new challenges in short to medium terms if needed expertise is not available.

6.8.1 Homeless Project

	Total (£)
Feeding - Community	3,965.23
Food Vouchers - Homeless	9,188.45
Local Community Support	3,065.00
Hotel Accommodation	37,414.00
Transportation and Travel Expenses	2,245.00
Homeless Project Expenditure	2,013.00
Total	57,890.68

There are other direct related costs associated with the significant cost centres stated above.

Community Humanitarian Care and Homeless Programme

	Total Cost (£)	
Day Care Centre - Weekly Food Feeding Programme	30,420.00	Grant Funded
Participants Care: Washing and Bathing Support including toiletries and hygiene	13,650.00	Funded by Grant and the Church
Day Care Participants Care: Clothing and Shoe Support	12,012.00	Church Funded
Community Youth Club	3,510.00	Church Funded
Supplementary Saturday School - Primary School Children	4,680.00	Church Funded
Cash Disbursement on Family Food Support	3,900.00	Church Funded
Homeless Project	57,890.68	
Total	126,062.68	

Above exclude related grant funded personnel costs.

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Statement of Financial Activities for the Year Ended 31 October 2022

6.9 Reserve Policies

	2021 - 22	2020 - 21
Funds		
Restricted Grants	32,796	38,886
Members Restricted Donations for Building Project	116,439	107,884
Restricted Operational Emergency Reserve	17,347	16,500
Unrestricted Operational Reserve	16,369	15,613
	182,951	178,883